

### REMARKS

As described in Paragraph [0005] in our description, an object of the present invention is to provide a recording medium used for conveying “some kind of information” widely to users “without harming the relationship with the users.” Here, “some kind of information” means supplemental information such as advertisement information. Furthermore, the words “without harming the relationship with the users” means “without forcing users who *paid* an adequate price for disc contents to view advertisement information, thus preventing the users from avoiding purchase of advertised products.” These meanings are understandable to a person of ordinary skill in the art from Paragraph [0004] in the description.

In order to achieve this object, the invention provides a playback device with the following functions, the playback device can generate a video signal from disc contents, and output the video signal together with copy control information. The copy control information defines a permitted number of copying of the video signal. The playback device can assign one type of copy control information to the video signal to change the permitted number. The playback device can also output the video signal with or without the addition of supplemental information. Here, the disc contents are not required to include the supplemental information. Furthermore, the playback device enables a user to select to accept or refuse the addition of supplemental information to the video signal.

By using the above-mentioned functions, the playback device according to our invention can provide a video signal with a larger permitted number of copying thereof, in return for the user's permission to add supplemental information to the video signal. As a result, the invention has an advantageous effect of providing supplemental information (commercials) in a more tolerable manner to the users who have already paid for the disc contents, regardless of whether

the users could buy the disc contents on the condition that the video signal can be reproduced therefrom without the addition of the supplemental information.

The Office Action has rejected the outstanding Claims 6 and 8-9 and 14-15 as being obvious over a combination of the previously cited *Itoi* (U.S. Patent Publication 2001/0012440) in view of newly cited *Strietzel* (U.S. Patent No. 6,950,804) under 35 U.S.C. §103.

Claim 14 was also rejected under 35 U.S.C. §101. Claim 14 has now been amended to address the 35 U.S.C. §101 rejection by adding “non-transitory.”

Applicant is hereby submitting amendments to the claims that they believe more than adequately distinguish over any possible combination of the two cited references. In this regard, the terminology utilized in our currently amended claims do not add any new matter, and can be summarized as follows:

1. The “output unit” is operable to output the video signal together with copy control information. This feature is based on, e.g., the sentences on p.70, 1.12-25, p.73, 1.28-p.74, 1.15 of the description and FIGS. 36, 42A-43B.
2. The “copy control information” defines a permitted number of copying of the video signal. This feature is based on, e.g., the sentences on p.14, 1.24-p.15, 1.18, and p.59, 1.26-p.60, 1.22 of the description and FIGS. 26-29.
3. The “setup unit” is operable to accept a user operation indicating whether to allow or prohibit the addition of supplemental information to the video signal. This feature is based on, e.g., the sentences on p.68, 1.14-p.70, 1.7 of the description and FIGS. 36-38.
4. The “output control unit” is operable to cause the output unit to output the video signal with and without the addition of the supplemental information, respectively when the user operation allows and prohibits the addition. This feature is based on, e.g., the sentences on p.71, 1.2-p.73, 1.20 of the description and FIGS. 3513, 39-4313.
5. The “assigning unit” is operable to assign one type of the copy control information to the video signal according to the user operation, and cause the output unit to output the one type of copy control information together with the video signal. The one type of copy control information defines, as the permitted number, a larger number when the user operation allows the addition of the

supplemental information, than when the user operation prohibits the addition of the supplemental information. These features are based on, e.g., the sentences on p.60, 1.12-22 and p.68, 1.26-p.70, 1.25 of the description and FIG. 29.

In *Itoi*, Paragraph [0013] discloses “a data decoding recording apparatus capable of receiving and decoding a digital broadcast and recording contents of data of the received digital broadcast ...in response to a copy control code included in the received data.” Paragraph [0043] teaches that, when contents with the copy control code “10” are to be recorded, the code is to be changed to another code “01” or “11”; the code “10” means that the contents can be copied only once, and the codes “01” and “11” mean that the contents can be never copied. Paragraphs [0043]-[0045] further suggest that, when contents with the copy control code “00,” “01,” or “11” are to be recorded, any code is not to be changed; the code “00” means that the contents can be freely copied. Paragraph [0062] and FIG. 2 discloses that in order to avoid recording CM portions (commercials) of a transport stream, only contents with copy control code “10” are recorded, whereas contents with copy control code “00” are not recorded, since the former contents can be copied only once and accordingly considered as being a program portion, while the latter contents can be copied freely and accordingly considered as being a CM portion.

The playback apparatus now defined in Claim 6 differs from the apparatus disclosed in *Itoi*. *Itoi* fails to teach or suggest the following features (1)-(3) of our playback apparatus:

- (1) The setup unit is operable to accept a user operation indicating whether to allow or prohibit an addition of supplemental information to the video signal;
- (2) The output control unit is operable to cause the output unit to output the video signal with and without the addition of the supplemental information, respectively when the user operation allows and prohibits the addition; and
- (3) The assigning unit is operable to assign one type of copy control information to the video signal, according to a user operation, and cause the output unit to output the one type of copy control information together with the video signal, the one type of copy control information defining, as the permitted number, a larger number when the user operation allows the addition of the supplemental

information, than when the user operation prohibits the addition of the supplemental information.

The Office Action implied that the features (1) and (2) are different between the playback apparatus defined in claim 6 and the apparatus disclosed in *Itoi*, as described in the last paragraph on Page 3 of the above-mentioned Office Action. However, the feature (3) is also different between the prior art apparatuses for the following reasons.

As noted in the MPEP at §2143.02:

A rationale to support a conclusion that a claim would have been obvious is that all the claimed elements were known in the prior art and one skilled in the art could have combined the elements as claimed by known methods with no change in their respective functions, and the combination would have yielded nothing more than predictable results to one of ordinary skill in the art. *KSR International Co. v. Teleflex Inc.*, 550 U.S. \_\_\_, \_\_\_, 82 USPQ2d 1385, 1395 (2007); *Sakraida v. AG Pro, Inc.*, 425 U.S. 273, 282, 189 USPQ 449, 453 (1976); *Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57, 62-63, 163 USPQ 673, 675 (1969); *Great Atlantic & P. Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147, 152, 87 USPQ 303, 306 (1950). (underline added)

Applicant submits that any combination of references that must be modified beyond their functions is suggestive of an unintended use of hindsight that may have been utilized to drive the present rejection. This is particularly true for an Examiner who is attempting to provide a diligent effort that only patentable subject matter occurs. The *KSR* Guidelines do not justify such an approach. There is still a requirement for the Examiner to step back from the zeal of the examination process and to appreciate that a Patent Examiner has to wear both hats of advocating a position relative to the prior art while at the same time objectively rendering in a judge-like manner a decision on the patentability of the present claims.

As set forth in MPEP 2142,

To reach a proper determination under 35 U.S.C. §103, the examiner must step backward in time and into the shoes worn by the hypothetical “person of ordinary skill in the art” when the invention was unknown and just

before it was made. In view of all factual information, the examiner must then make a determination whether the claimed invention “as a whole” would have been obvious at that time to that person. Knowledge of applicant’s disclosure must be put aside in reaching this determination, yet kept in mind in order to determine the “differences,” conduct the search and evaluate the “subject matter as a whole” of the invention. The tendency to resort to “hindsight” based upon applicant’s disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art.

A copy control code is already fixed in the data received by the *Itoi* apparatus, as disclosed in [0013]. *Itoi* does not change the fixed copy control code, except when the code “10” is changed to the code “01” or “11.” The change of codes “10” to “01” or “11” is necessary only for recording the contents having the code “10,” and accordingly, the changing pattern of copy control codes is fixed and unique. Thus, it would not be obvious for a person of ordinary skill in this art, from the disclosure of *Itoi*, that the *Itoi* apparatus would have a capability of changing the copy control code fixed in the received data, depending on a condition indicated by data other than the copy control code and the received data, such as a user operation. In contrast, the assigning unit according to our invention has this capability, as Claim 6 recites for “operable to assign one type of the copy control information to the video signal according to the user operation.” Therefore, *Itoi* fails to teach or suggest feature (3).

In addition, the Office Action misquotes Paragraph [0062] and FIG. 2 of *Itoi*. Copy control codes “00” and “10” have been already assigned to CM portions and program portions of a transport stream, respectively, before the apparatus disclosed in *Itoi* receives the transport stream. The codes “00” and “10” mean “the contents can be freely copied” and “the contents can be copied only once,” respectively. Accordingly, the code “00” assigned to the CM portions defines a less strict restriction than the code “10” assigned to the program portions. However,

*Itoi* does not disclose any apparatus that has a capability of assigning the codes to the portions in the above-described manner. Rather, the *Itoi* records only the portions with code “10,” but does not record the portions with code “00,” and thus avoids recording the CM portions.

Even if this control of the apparatus over the recording of the portions based on the copy control codes could argumentatively be interpreted as “assigning copy control information to a video signal,” the relationship between the portions and the codes is in fact the reverse of that recited in original Claim 6, since the program portions are permitted to be recorded, but the CM portions are restricted. Therefore, the Office Action fails to establish a basis that *Itoi* teaches an assigning unit as defined in original Claim 6.

*Strietzel* discloses a content delivery system that allows a user to access a content item with or without advertisements, depending on a specific payment method for the content item. In particular, *Strietzel*, Column 10, 1.50-56, discloses:

“after a particular user has downloaded a particular content item and received an associated advertisement a predetermined number of times, the user can thereafter access the content item without having advertisement attached. Essentially, the user has the ability to earn free access to content by receiving the advertisements.”

The playback apparatus defined in claim 6 differs from the system disclosed in *Strietzel*. *Strietzel* fails to teach or suggest the following features (4) and (5) of the playback apparatus:

- (4) The output unit is operable to output the video signal together with copy control information that defines a permitted number of copies of the video signal; and
- (5) The assigning unit is operable to assign one type of the copy control information to the video signal according to the user operation, and cause the output unit to output the one type of copy control information together with the video signal, the one type of copy control information defining, as a permitted number, a larger number when the user operation allows the addition of the supplemental information, than when the user operation prohibits the addition of the supplemental information.

In particular, any “copy control information” to be assigned to and outputted with the video signal is neither taught nor suggested in *Strietzel*.

Furthermore, the system disclosed in *Strietzel* does not limit the number of accesses to a content item itself, in contrast to the playback device according to our invention which limits the permitted number of times of copying a video signal. Please note that the *Strietzel* system forces a user to download a content item with advertisements, in return for reduction or exemption of the cost of the download service. However, the required number of downloading of the content item with advertisements is limited, since the cost of the download service is subsidized by the advertisements. After downloading the content item with advertisements at the required number of times, the content item can be freely downloaded without advertisements. Accordingly, the system allows the content item itself to be downloaded an unlimited number of times. This totally differs from any limitation of the number of copying of a video signal without the addition of supplemental information.

As described above, both *Itoi* and *Strietzel* fail to teach or suggest a “function” of the assigning unit, one of the crucial features of the present invention. Therefore, even in light of the teaching in *Strietzel*, it would not have been obvious to one of ordinary skill in the art at the time the invention was made to modify *Itoi* by including a user operation to allow addition of supplemental information.

In addition, our claimed invention has a further advantageous effect of providing the supplemental information in a more tolerable manner to the users who have already paid for the disc contents, regardless of whether the users could buy the disc contents on the condition that the video signal can be reproduced therefrom without the addition of the supplemental information. This advantageous effect would not have been obvious to one of ordinary skill in

the art at the time the invention was made from any combination of the prior art of *Itoi* and *Strietzel*, since that combination would only have provided a user flexibility in determining how to pay for contents, but would not provide advertisements in a tolerable manner to a user who has already paid for contents.

In view of the above amendments and remarks, it is believed that the present application is now in condition for allowance and an early notification of the same is requested.

If the Examiner believes a telephone interview will assist in the prosecution of this matter, the undersigned attorney can be contacted at the listed phone number.

Very truly yours,

**SNELL & WILMER L.L.P.**



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